

Tools and Models for Increasing Affordable Housing

**Presented By Nina Janopaul, President/CEO
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Arlington Partnership
For Affordable Housing

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About APAH



- 30-year old non-profit, mission-minded affordable housing developer
- Owns over 1,800 rental homes at 18 locations with 800+ units in development
- 10% of homes designated for formerly homeless and persons with disabilities
- Award-winning organization known for innovative partnerships and developments
- Based in Arlington and serving jurisdictions through DMV, with projects in Fairfax, Loudoun and Montgomery counties



"APAH is one of the premier affordable housing organizations in Virginia, and probably the country."

Susan Dewey
VHDA Executive Director

APAH's Mission



- To develop, preserve and own quality affordable places to live;
- To promote stability and opportunity for our residents; and
- To advocate with the people and communities we serve.

Approved Sept. 2017



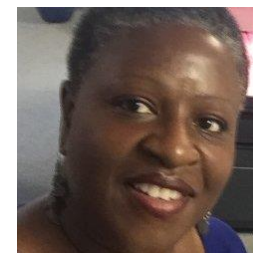
APAH's Leadership



- **Board of Directors includes:**
 - John Milliken, former Virginia Secretary of Transportation
 - Dr. Kathie Panfil, former principal and immigration activist
 - Matt Birenbaum, Avalon Bay CIO
 - Andy VanHorn, JBG Smith Exec VP
 - APAH Resident Leaders



President: Nina Janopaul has been CEO since 2007. Built staff from 3 to 25, assets from \$65M to over \$400M



Permanent Supportive Housing



- Pioneered PSH in Arlington County
- 167 units across APAH's existing portfolio (10%)
- Achieved through partnerships with trusted service providers, including Arlington DHS, A-SPAN, Doorways, Community Residences, etc.

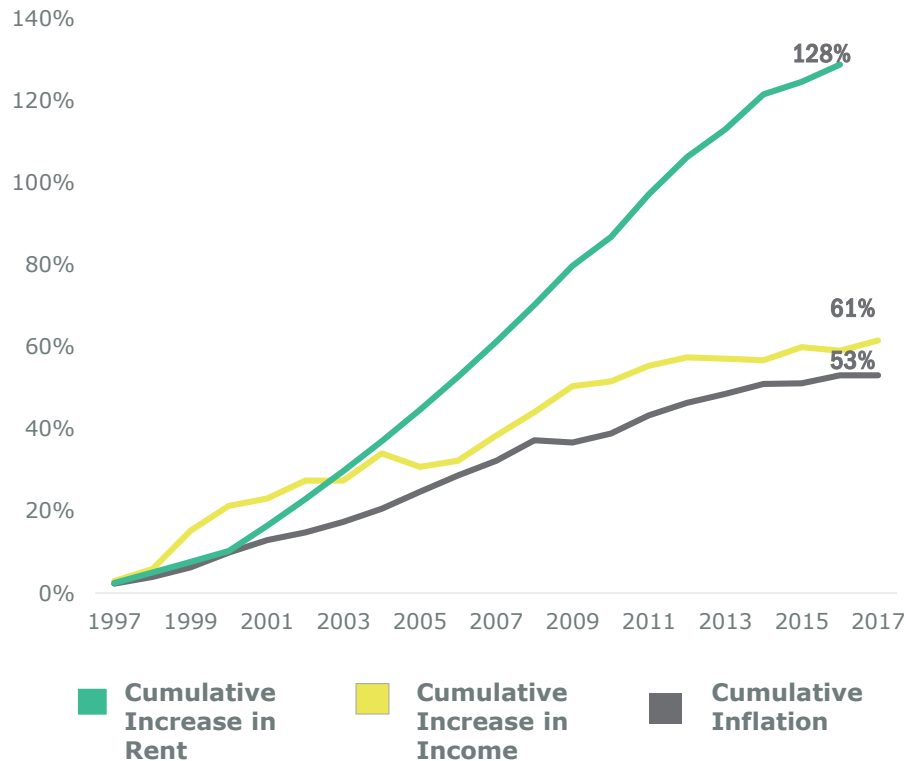


Why Do We Need Affordable Housing?

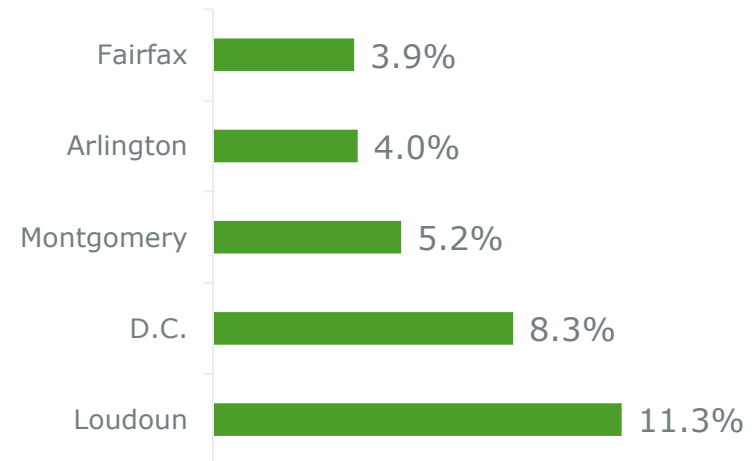


Dramatic Rent Increases Over the Last 20 Years

US Cumulative Percent Changes in Rent, Income, and Inflation



Annual Increase in Median Rent by County, 2011-2017



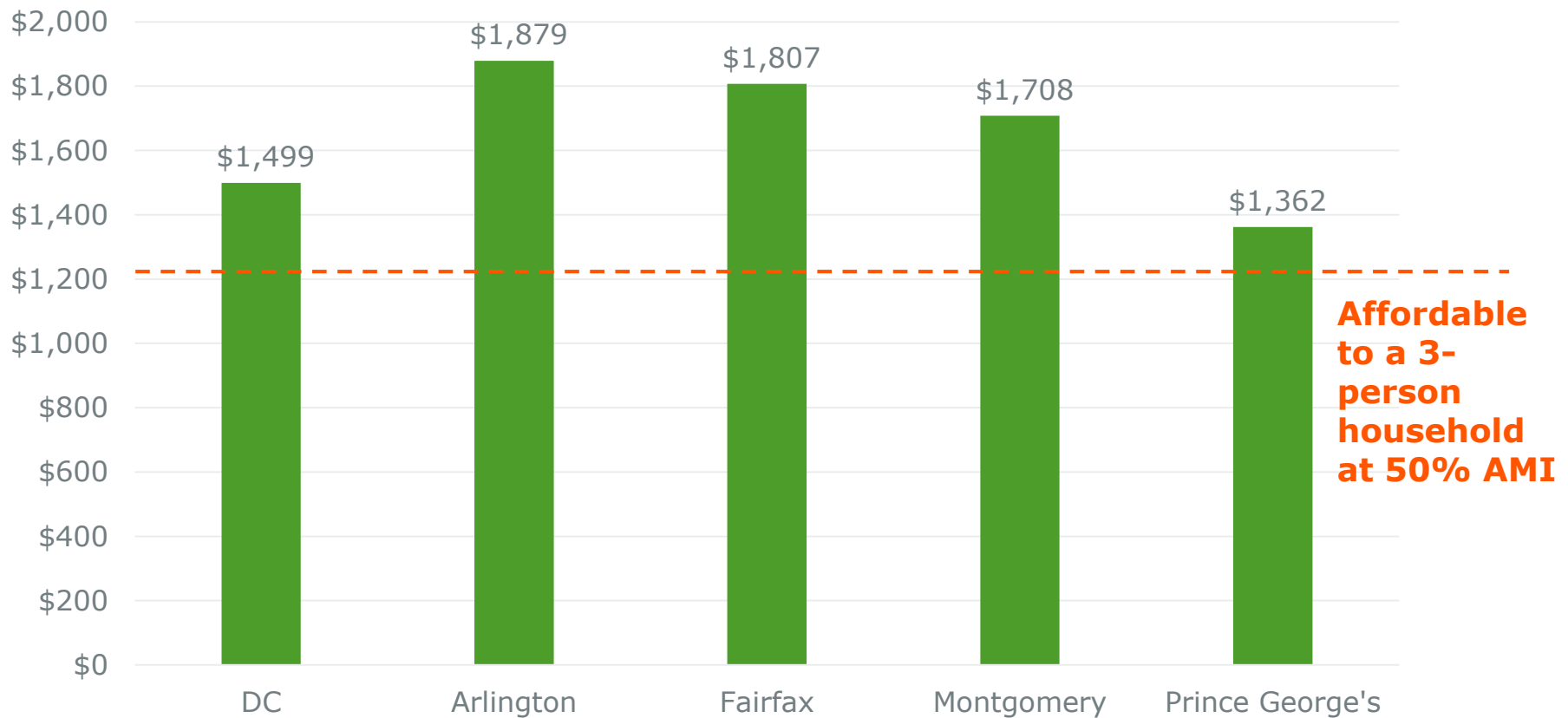
Source: Urban Institute analysis of the Zillow rent Index

Key Community Challenges



Almost a quarter of all households in the Washington Metro area pay over 50% of their income on rent.

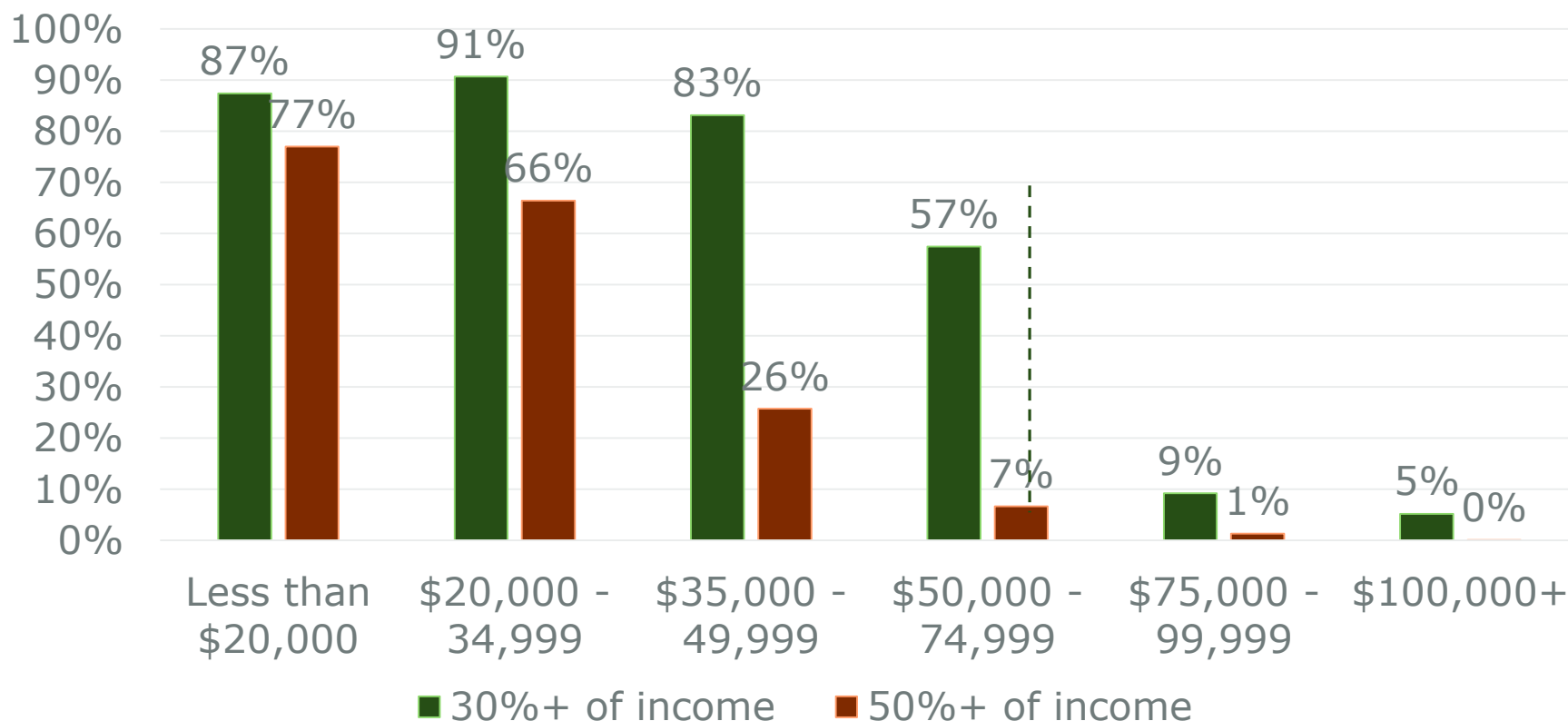
Median Rent, 2017



Lower Income Households Face Highest Cost Burden



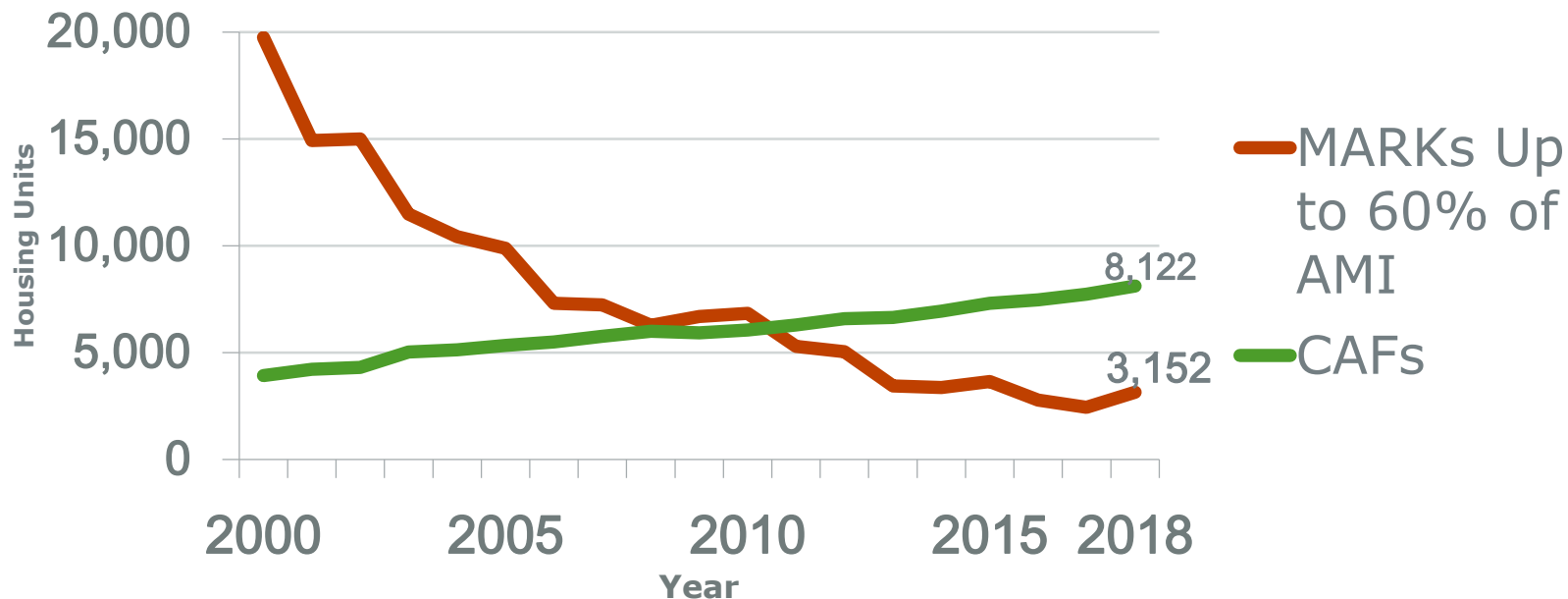
Cost Burdened Renters by Income
Washington DC Metro Area, 2017



Prepared by Lisa Sturtevant, PhD of LSA Planning

Source: U.S. Census Bureau, 2017 American Community Survey, 1-year file

Arlington's Structural Changes in Housing Supply: Loss of Market Affordable (MARKs) Increase in Committed Affordable (CAFs)



Renter Households with incomes below 60% AMI



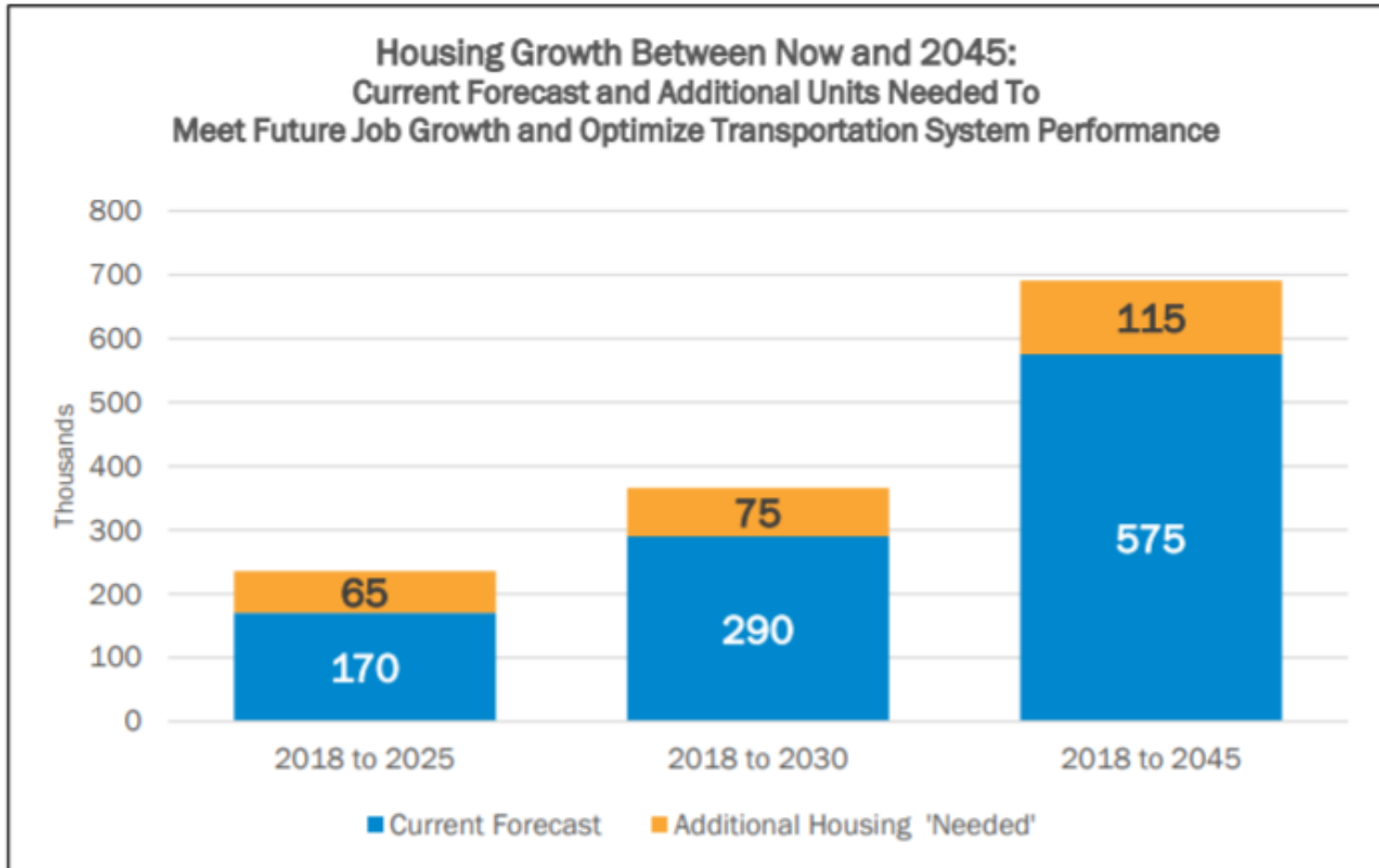
Apartments Affordable up to 60% AMI



0 5,000 10,000 15,000 20,000

The DMV Is Creating Insufficient Housing For Its Job Growth

Metropolitan Washington Council of Governments



Source: Round 9.1 Cooperative Forecasts and COG Estimates

What Can We Do? Funding Tools



Federal Resources

- Low Income Housing Tax Credit (LIHTC) – federal program providing private equity, typically from banks. Produced 3M homes since 1987.
- Current bipartisan legislation to boost the program in 2019.
- APAH and Virginia are leaders in creating hybrid (9%/4%) financing that leverages the underutilized 4% tax exempt bond program

State Resources

- VA Housing Trust Fund provided \$11M in funding for 17 projects in 2019

Municipal Resources

- Arlington County funds approximately \$22M/year in revolving loans.
- Alexandria increased its trust fund to \$9M/year with a new Meals Tax
- Fairfax contemplating adding penny real estate tax to bring Trust fund to \$37M/year in 2020
- DC's Trust Fund is currently at \$138M.

What Can We Do: Land Use Tools



Increasing density at existing affordable housing

- **Queens Court** – redeveloped garden apartments into high rise

Public land for new or co-located housing

- **Arlington Mill** – discounted ground lease at County-developed Community Center
- **Oakwood Apartments (proposed)** new infill at underutilized stormwater site

Partnering at Underutilized Civic Properties

- **Gilliam Place** – Faith partnership with Arlington Presbyterian Church
- **Terwilliger Place** – partnership with American Legion Post

Affordable Housing Bonus Density

- **Mt. Sterling Senior** – Facilitating market/affordable development at 22 acre site



Queens Court, 249 units



Arlington Mill, 122 units



Gilliam Place, 173 units

APAH Portfolio Highlights



Columbia Hills

- 229 affordable units, delivered Oct. 2018
- APAH's first hybrid 4% and 9% financing
- Built on surface parking lot of existing LIHTC garden apartment complex on rezoned land



The Springs

- 104 units, delivered in 2016
- Leveraged density on older garden apt



Arlington Mill

- 122 affordable units, delivered in 2014
- Public-private partnership with housing atop County-owned parking garage with 75-year ground lease
- County Community Center on shared site



APAH Development Pipeline



Gilliam Place

- 173 affordable units, 2nd hybrid (4%/9%)
- Opened August 2019
- Faith-based partnership
- Ground-floor retail and civic space to support mission-focused tenancy



Queens Court

- 249 affordable units, 3rd hybrid
- Broke ground April 2019
- Integrated rezoning of more than 1M SF, including a new Arlington public school, fire station, and market rate development



Mt. Sterling Senior

- 98 affordable senior units, 4th hybrid
- Joint Venture with Edmondson & Gallagher
- Leveraged County's inclusionary zoning program to support market/affordable project



Case Study: American Legion/Terwilliger Place



- \$75M project funded with:
 - LIHTC hybrid 9%/4%
 - VHDA Taxable/Tax Exempt Bonds
 - Arlington County Funding
 - VA Housing Trust Fund
 - Private Philanthropy: Ron Terwilliger lead donor
- Completed rezoning of existing 1.3 acre parcel over two years
- Replacing outdated 1955 Legion Post with new, 6,000SF Post
- Creating 160 new affordable homes, 50% Vets preference
- Hub for innovative Vets programs



Case Study: Oakwood Senior



- 6-acre site, currently functions as a stormwater pond
- APAH submitted unsolicited proposal to the County in Feb. 2018 and was selected Dec. 2018 under PPEA authority
- 150 units of new independent senior housing
- Affordable housing
 - Service-rich resident programming
 - Dynamic amenity spaces for seniors
- Seeking 9% LIHTC Allocation 2020



Transforming Lives through Resident Services



- Strengthening families through health and wellness; education; financial literacy; and civic engagement
- Partnering with 20+ partners to design and deliver high-quality, high-impact services
- Partnering with LaCocina VA to create training kitchen at Gilliam Place
- Proposing new Resident Impact Incubator, focusing on Tech Training, at new project in Ballston Station



Eviction Prevention



Deepening our Commitment to Family Stability

- Respond to the leadership of Matthew Desmond (author, *Evicted*) and the Princeton Eviction Lab, which reported Virginia with some of the worst eviction records in the nation
- Seeking to Improve over our <1% Eviction Rate
 - New Eviction Prevention Fund
 - Revised Policies and Procedures
- Strengthen partnerships with local county staff and safety net providers

Strengthen Community Impact

- APAH launched the Community Progress Network in 2017 to bring an equity lens to County decision making and achieve better results for families
- 30+ service providers, elected officials, County staff, and business leaders working together to evaluate results, identify gaps/opportunities and advocate
- **Key activities:**
 - Data Walk on poverty in the community
 - Roundtables to bring low-income residents together with decision makers



**COMMUNITY
PROGRESS
NETWORK**

PROMOTING
EQUITY THROUGH
EDUCATION,
ENGAGEMENT
AND ADVOCACY



Virginia General Assembly: 2020 Legislative Ideas



- Increase VA Housing Trust Fund to \$30M/\$50M
- Research State Housing Tax Credit
- Expand Tenant Protections To Reduce Evictions
- Allow Licensed Family Child Care in Multifamily Rental Housing
- Provide options for tax abatements on affordable properties (similar to DC, MD, other states)
- Prohibit Source of Income, Sexual Orientation and Gender Identity Discrimination in Housing
- Facilitate expanded zoning incentives for affordable housing